



ENTERED
05/06/2021

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

Chapter 11

LILIS ENERGY, INC., *et al.*,¹

Case No. 20-33274

Debtors.

SETH BLACKWELL,

Plaintiff,

v.

Adversary No. 20-3427

LILIS ENERGY, INC.,

Defendant.

STIPULATION AND AGREED ORDER OF DISMISSAL

John D. Baumgartner, in his capacity as Unsecured Claims Pool Sub-Trustee (the “Sub-Trustee”) for the above-captioned debtors and debtors in possession (the “Debtors”), and Seth Blackwell (“Blackwell,” and together with the Sub-Trustee, the “Parties”) hereby enter into this stipulation and agreed order (this “Stipulation”) as follows:

WHEREAS, on June 28, 2020 (the “Petition Date”), the above-captioned debtors filed voluntary relief under chapter 11 of Title 11 of the United States Code;

WHEREAS, prior to the Petition Date, Debtor Lilis Energy, Inc. (“Lilis”) was party to the following litigation:

¹ The Debtors in these chapter 11 cases and the last four digits of their respective employer identification numbers are: Brushy Resources, Inc. (4053); Hurricane Resources LLC (5207); IMPETRO OPERATING LLC (9730); ImPetro Resources, LLC (9608); Lilis Energy, Inc. (1613); and Lilis Operating Company, LLC (3908).

- a. *Seth Blackwell v. Lilis Energy, Inc.*; Cause No. 2018-41512; in the 334th Judicial District Court of Harris County, Texas (the “Harris County Case”); and
- b. *Seth Blackwell and Brennan Short v. Lilis Energy, Inc.*; Civil Action No. 4:19-cv-02311; in the United States District Court for the Southern District of Texas (the “SDTX Case,” and together with the Harris County Case, the “Litigation”);

WHEREAS, on August 12, 2020, Blackwell filed Proof of Claim No. 339 (the “Blackwell Claim”) against Lilis, which is based on the facts underlying, and the claims asserted in, the Litigation;

WHEREAS, on November 17, 2020, the Court entered an order [Docket No. 673] (the “Confirmation Order”) confirming the *Debtors’ First Amended Joint Liquidating Chapter 11 Plan* [Docket No. 647] (the “Plan”);

WHEREAS, the Effective Date of the Plan occurred on December 4, 2020;

WHEREAS, in order to maximize efficiency and avoid unnecessary cost and expense, the Parties have reached an agreement with respect to the Blackwell Claim and the Litigation, subject to and in accordance with the terms hereof;

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Stipulation, the Parties hereby stipulate and agree as follows:

1. The Blackwell Claim is an allowed general unsecured claim in the amount of \$4,783,288.00.
2. Adversary No. 20-3427; *Seth Blackwell v. Lilis Energy, Inc.*; in the United States Bankruptcy Court for the Southern District of Texas (the “Adversary”) is DISMISSED.
3. Upon the entry by the Court of this Stipulation, (a) the Sub-Trustee releases and discharges Blackwell of all claims and causes of action, whether known or unknown, that the Sub-

Trustee, the Debtors, or the Debtors' estates have asserted or could have asserted against Blackwell, based on or relating to, or in any manner arising from, in whole or in part, the facts and circumstances giving rise to the Litigation; and (b) Blackwell releases and discharges the Sub-Trustee of all claims and causes of action, whether known or unknown, that Blackwell has asserted or could have asserted against the Sub-Trustee, the Debtors, or the Debtors' estates, either individually or collectively, based on or relating to, or in any manner arising from, in whole or in part, the facts and circumstances giving rise to the Litigation.

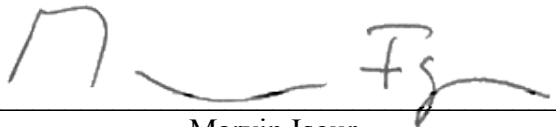
4. Within ten (10) days of the entry by the Court of this Stipulation, the Parties will file the necessary documents to seek dismissal of the Litigation.

5. The Debtors' claims and noticing agent, Stretto, is authorized and directed to update the Debtors' official claims register in accordance with this Stipulation.

6. This Stipulation shall be binding and effective upon execution by all the Parties hereto.

7. The Court retains exclusive jurisdiction to resolve any dispute arising from or related to the interpretation or enforcement of this Stipulation.

Signed: May 06, 2021



Marvin Isgur
United States Bankruptcy Judge

STIPULATED AND AGREED AS OF THIS 5TH DAY OF MAY, 2021:

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